ANNUAL REPORT

FOR THE FISCAL YEAR ENDED MARCH 31

Alberta

TREASURY

ANNUAL REPORT

FOR THE FISCAL YEAR ENDED 31-MAR-82

Alberta
TREASURY

ISSN-0381-386X

Alberta
TREASURY

Office of the Provincial Treasurer

Aug-82

To The Honourable G. Amerongen,
Speaker of the Assembly

Sir:

Pursuant to Section 36 of the Legislative Assembly Act, being Chapter L-10 of the Revised Statutes of Alberta 1980, I have the honour to lay before the Assembly the annual report of the Treasury department for the fiscal year ended 31-Mar-82.

Respectfully submitted,

Lou Hyndman

Lou Hyndman

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DEPUTY PROVINCIAL TREASURER'S REPORT

Fiscal and economic conditions in Alberta changed dramatically during 1981-82, challenging the enterprise and skills of all Alberta Treasury staff.

Much activity for our Fiscal Policy and Economics branch centred on federal-provincial relations. Major areas included energy negotiations (which were successfully concluded 1-Sep-81), federal-provincial fiscal arrangements for equalization and joint financing of health care and post-secondary education (which were unilaterally set by Ottawa in Mar-82), and the Feb-82 First Ministers' Conference on economic policy.

A particularly heavy workload was carried by the Tax Policy and Budget Planning and Economics divisions, where analysis was done on the complex issues involved and assessments were made of the various proposals which were under consideration.

We are pleased with the rapid development of the Corporate Tax Administration. Since it began collecting corporate income taxes in Jan-81, we have established an administration which we intend to be responsive to the requirements of our public and business contacts. In addition to CTA's responsibility for collecting revenue due to the government, its role as an instrument to carry out economic initiatives was made apparent in 1981-82. Major enhancements to tax credit programmes were announced during the year and the requirement for monthly tax instalment payments was dropped for small businesses.

A service introduced last year by our Payroll and Pensions division was expanded during 1981-82. Alberta's 8,000 public-sector pensioners were offered the option of having their payments deposited directly to bank accounts, rather than mailed, and almost two-thirds are participating in the new service. This service frees the pensioner of any worry that mail service might be interrupted or that a cheque might go astray.

During 1981-82, the first equity investments were made on behalf of the Alberta Heritage Savings Trust Fund. Participation in equity markets, while limited, recognizes the higher returns that ought to accrue to equity owners over the longer term. It also recognizes the desirability of a balanced investment approach.

Treasury assumed responsibility for collection of unpaid student loans during the year, and substantial progress has been made by our Revenue Administration division in this area. Our Crown Debt Collections unit has improved its procedures and also provided effective guidelines for other departments to apply to debt collection.

Before completing this report, the achievements of two of our affiliated organizations must be noted. During the year, the assets of Alberta Treasury Branches increased by $330 million to $2.730 billion, deposits increased by $331 million to $2.657 billion and loans reached $2.354 billion.

The Treasury Branches continued to enjoy overall growth in investment activity and the money market. Short-term investments at 31-Mar-82 totalled $131 million. Overall, operations this year generated revenue $10.3 million in excess of expenditures. After provision for losses on loans and advances, $1 million was transferred to the General Revenue Fund.

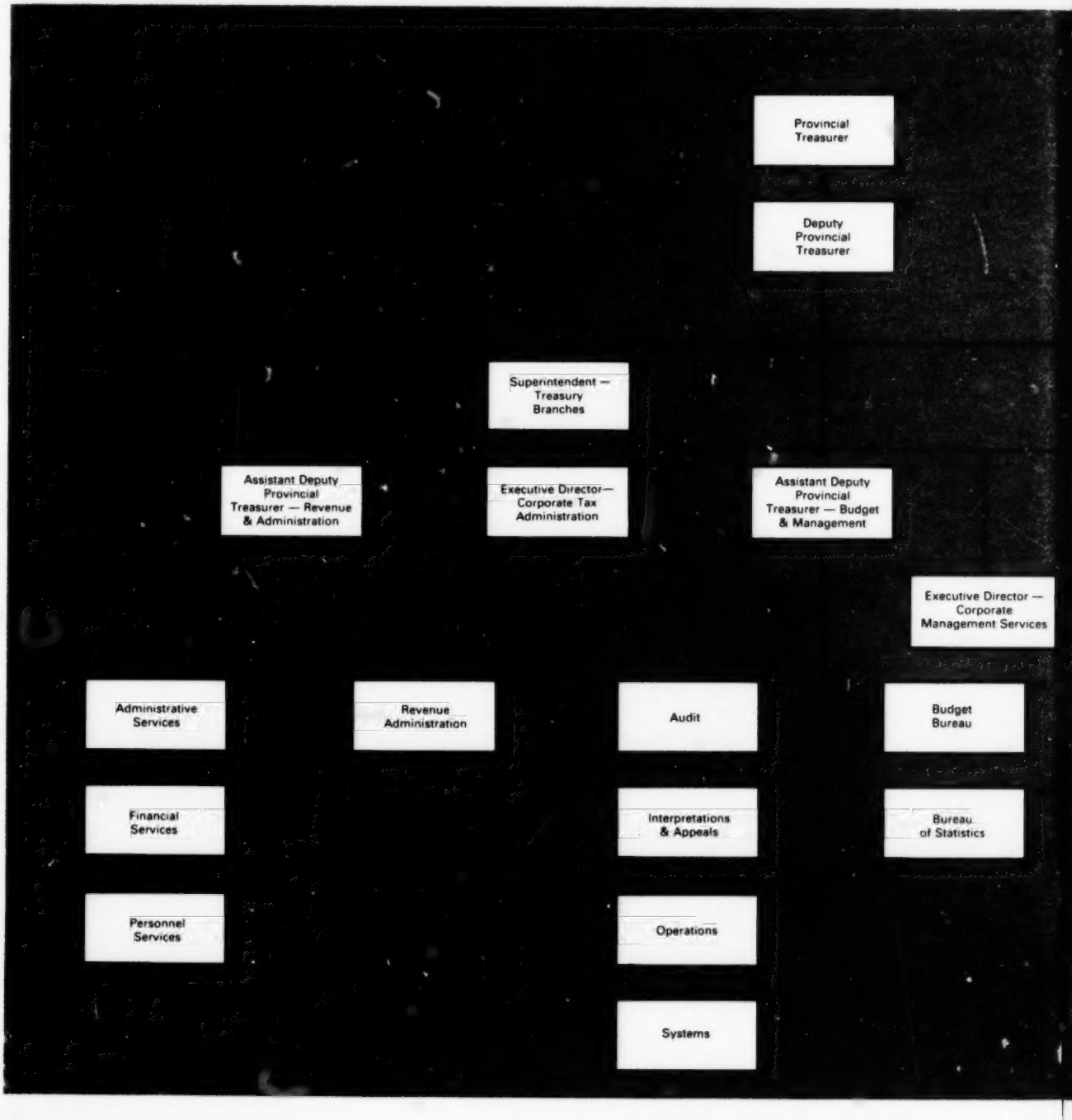
Meanwhile, the Alberta Municipal Financing Corporation issued new loans totalling $844 million in 1981. This represents an increase of 14 per cent over the previous year and reflects the continuing growth of municipalities in our province.

The AMFC's total outstanding loans exceeded $3 billion at year-end, with interest lending rates peaking at 19 per cent during the year.

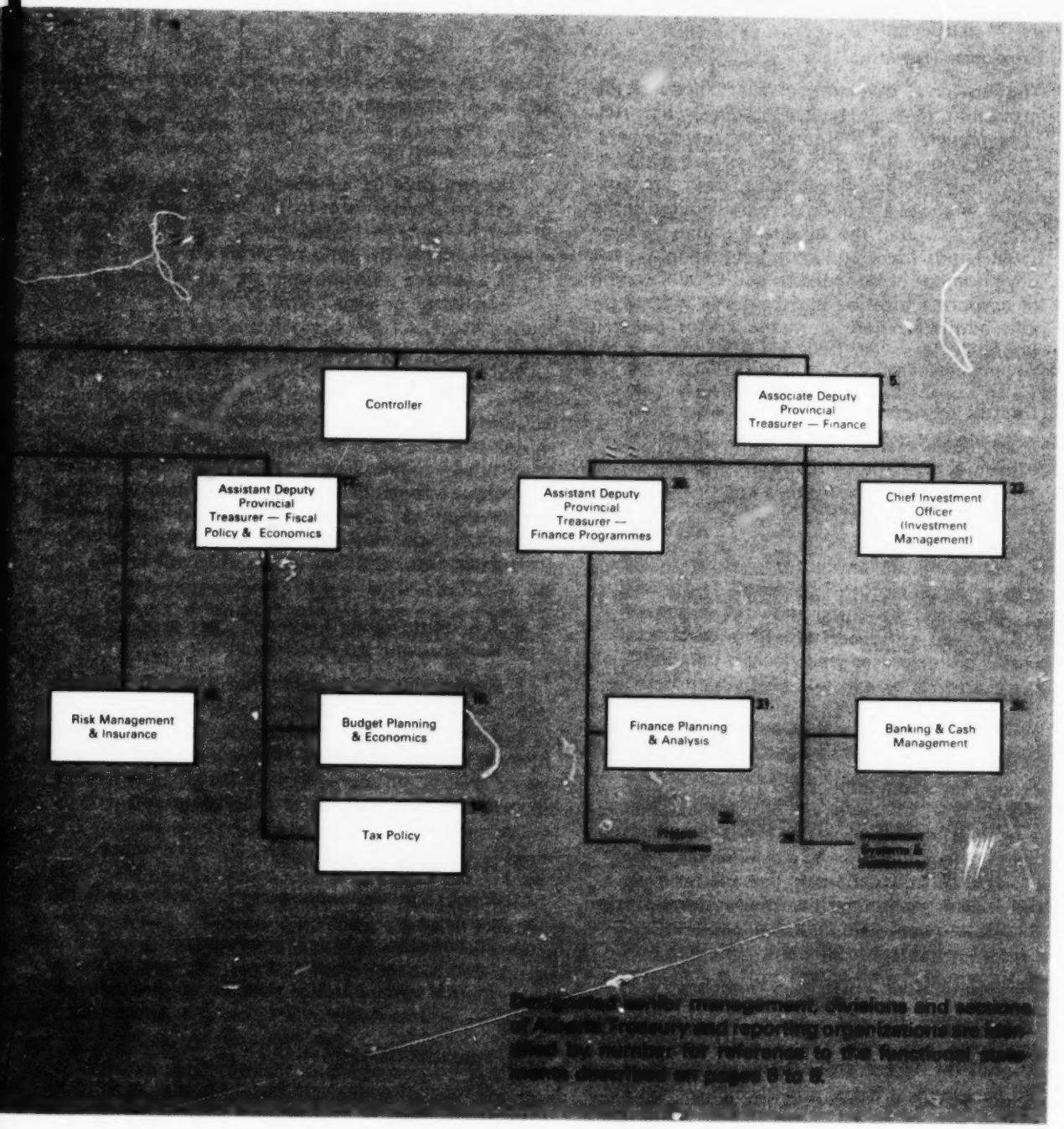
As we look to the next fiscal year, the adverse impact of current national and international economic conditions makes it clear that our priority must be to continue to budget wisely and serve efficiently. In that way, we can best fulfill our responsibilities to the people of the province of Alberta.

A.F. Collins
Deputy Provincial Treasurer

ORGANIZATIONAL CHART



Approved number of positions at 31-Mar-82: 746


Controller
Associate Deputy Provincial Treasurer — Finance
Assistant Deputy Provincial Treasurer — Fiscal Policy & Economics
Assistant Deputy Provincial Treasurer — Finance Programmes
Chief Investment Officer (Investment Management)
Risk Management & Insurance
Budget Planning & Economics
Finance Planning & Analysis
Banking & Cash Management
Tax Policy

FUNCTIONAL RESPONSIBILITIES OF THE PROVINCIAL TREASURER, DEPUTY PROVINCIAL TREASURER, SENIOR MANAGEMENT, DIVISIONS, SECTIONS AND REPORTING ORGANIZATIONS

1. Provincial Treasurer

The Provincial Treasurer, in accordance with the provisions of the Financial Administration Act, is responsible for the collection, management, control and reporting of revenue and expenditure; borrowings, investments, cash management; financial and budgetary procedures of the Crown, including the Alberta Heritage Savings Trust Fund; fiscal and economic planning; the development of tax policies and administration of corporate taxation and business incentives; and administration of public sector pension plans.

2. Deputy Provincial Treasurer

In addition to managing and administering Alberta Treasury, the Deputy Provincial Treasurer serves on the following committees and boards:

Cabinet committees

- Priorities, Finance and Coordination
- Management Policy
- Treasury Board

Boards

- Alberta Government Telephones Commission
- Alberta Home Mortgage Corporation
- Alberta Municipal Financing Corporation
- Alberta Resources Railway Corporation
- Alberta Housing Corporation

Committees

- Health Science Centre Implementation Committee

3. Superintendent — Treasury Branches

Responsible for the system of branches and agencies throughout the province which accept money on deposit from the public, loan money to persons and firms, provide safekeeping facilities to the public, act as agent of the government for the issuance of various licences, collection of fees, etc. The objective is to provide a service which earns a profit on operations for the benefit of all Albertans.

4. Controller

Responsible for developing administrative and financial procedures for the control and reporting of government revenue and expenditure. This includes the operation of provincial payment and accounting systems and the administration of public sector pension plans.

5. Associate Deputy Provincial Treasurer — Finance

Responsible for the management of the province's major financial assets and liabilities and non-budgetary financing activities. This includes short-term and long-term investment, banking and cash management of various government accounts, including the Alberta Heritage Savings Trust Fund and the General Revenue Fund.

6. Assistant Deputy Provincial Treasurer — Revenue and Administration

Responsible for collection of specified tax revenues (corporate, fuel oil, tobacco, parimutuel), administration of the Alberta Farm Fuel Distribution Allowance, collection of past-due government receivables and for provision of administrative services to the department.

7. Administrative Services

Manage departmental communications, building services and space management, EDP services, libraries, records management and provide related administrative services. Implement departmental administrative policies and procedures.

8. Financial Services

Manage departmental accounting, budgeting, internal control and internal financial reporting. Administer garnishees/third party demands on government employees and vendors doing busi-

ness with the government. Maintain a registry for direct interest payments on public debt. Provide a safekeeping service to government departments.

9. Personnel Services

Provide a comprehensive personnel service to management and employees of Alberta Treasury.

10. Revenue Administration

Collect Alberta tobacco, fuel oil and pari mutuel taxes; administer the system for provision and control of the Alberta Farm Fuel Distribution Allowance and the Public Utilities Income Tax Rebate Programme; audit the records of agents, tax collectors and dealers; operate a central collection service to maximize the recovery of debt owing to the Crown; review, analyse and evaluate minor revenues collected by departments to ensure a consistent approach to revenue administration, cost effectiveness and efficient processes, procedures and control practices for revenue collection; operate a central service for collection and control of government revenues.

11. Corporate Tax Administration

Administer and collect Alberta corporate income taxes. Responsibilities include registration of corporations, maintenance of files, assessment of returns, collection of tax, audits, reassessments, compliance investigations, notices of objection and review of appeals. Services to the taxpayer include Account enquiries and General enquiries facilities. Interpretation of the Act, advance rulings, publication of information bulletins and circulars and design, implementation and maintenance of data processing and control systems are also functional responsibilities.

12. Assistant Deputy Provincial Treasurer — Budget and Management

Responsible for the management of the provincial expenditure budget planning and approval process, for cross-government administrative policy and statistical information on economic and social conditions in the province.

13. Budget Bureau

Review and analyse departmental and agency expenditure proposals, prepare and coordinate annual budget estimates of departments and agencies, prepare recommendations on financial resource allocations, monitor changes in budget plans during the fiscal year and develop budgetary procedures.

14. Bureau of Statistics

Provide statistical information on economic and social conditions in the province, collaborate with departments in the publication of related departmental statistical information and promote and coordinate plans for the collection and integration of statistics pertaining to Alberta.

15. Executive Director, Corporate Management Services

Responsible for the administration of the Alberta Municipal Financing Corporation as its general manager. Provides corporate accounting services for the Alberta Resources Railway Corporation and advisory services regarding Treasury's responsibilities on various boards and committees.

16. Risk Management and Insurance

Administer and coordinate the government's insurance and risk management programme, including analysis of risk, negotiation for insurance coverage, analysis of contracts, management of government self-insured exposure. Assist and provide specialized insurance services to Crown corporations, payment of claims, compilation of loss statistics, analysis of insurance losses and establish a loss prevention programme on a government-wide basis.

17. Assistant Deputy Provincial Treasurer — Fiscal Policy & Economics

Responsible for provision of policy research, analysis and recommendations on the province's budget plan, economic and taxation policies and inter-governmental fiscal relations, as well as for

the development of legislation implementing the government's tax policy decisions.

18. Budget Planning and Economics

Responsible for research, analysis and policy advice concerning short- and medium-term budget planning for the government; monitoring of the government's financial plan; current and future economic conditions in Alberta and Canada; a variety of specific fiscal and economic issues; and intergovernmental fiscal relations.

19. Tax Policy

Analyse policy issues regarding the government's own-source revenue structure; analyse and develop tax programmes to meet government objectives; develop tax legislation and regulations; liaise with Corporate Tax Administration, Revenue Administration and Revenue Canada relative to implementation and ongoing administration of tax programmes.

20 Assistant Deputy Provincial Treasurer — Finance Programmes

Responsible for managing the overall planning, administration and arrangement of all nonmarket investments for the Alberta Heritage Savings Trust Fund; the financial and administrative aspects of advances and guaranteed loans; and development of policy on a broad range of government financing arrangements.

21. Finance Planning and Analysis

Provide overall planning and administration for the Alberta Heritage Savings Trust Fund; budget review and monitoring of Capital Projects Division investments under the Heritage Fund; and analysis and policy development of government financing arrangements including Crown corporation budgets and programmes.

22. Project Investments

Document and administer all investments under the Canada, Alberta, and Energy Investments divisions of the Alberta Heritage Savings Trust Fund. Manage the financial and administrative aspects of the government's guaranteed loan programmes, develop policies and regulations respecting guaranteed loans, administer a variety of advances to funds and agencies, and analyse and recommend government involvement in loans or guaranteed loans for specific entities.

23. Chief Investment Officer (Investment Management)

Provide short- and long-term investment management for various government accounts. Conduct capital market and investment risk analysis.

24. Banking and Cash Management

Manage the banking relationships of government, including bank accounts, cash management systems, and project and analyse government cash flows on short (daily and weekly) and medium terms (up to one year). Ensure investment receipts are collected as specified. Administer the government's debt portfolio.

25. Investment Systems and Settlements

Develop, operate and maintain manual and automated investment-related systems. Administer and control all investment settlement activities. Provide investment control, accounting and information reporting services by operating investment-related computer and manual systems.

II. BRANCH AND DIVISION REPORTS

A Operating Branches, Divisions and Sections

Alberta Treasury Branches

Office of the Controller

Finance
- Banking and Cash Management
- Finance Planning and Analysis
- Investment Management
- Investment Systems and Settlements
- Project Investments

Budget and Management
- Budget Bureau
- Bureau of Statistics

Fiscal Policy and Economics
- Budget Planning and Economics
- Tax Policy

Revenue
- Corporate Tax Administration
- Revenue Administration

Corporate Management Services

Risk Management and Insurance

B Department Support Services
- Administrative Services
- Financial Services
- Personnel Services

ALBERTA TREASURY BRANCHES

FUNCTIONS

- Operate a system of branches, sub-branches and agencies throughout the province to provide Albertans access to a full range of financial services at reasonable costs.
- Treasury Branches is the only financial institution available in over 50 communities in the province.
- Primary responsibilities include:
  - accepting money on deposit
  - loaning money to the public
  - providing safekeeping facilities to the public
  - certain branches act as an agent of the government for the issuance of various licences, collection of fees, etc.
  - earning a profit on operations for the benefit of all Albertans

HIGHLIGHTS

- The expansion of the branch and agency system continued through 1981-82. There are now 122 branches, two sub-branches and 100 agencies providing financial service to the people of Alberta.
- Treasury Branches opened new offices in 1981-82 at:
  Magrath (19-May-81)
  Fort Vermilion/La Crete (15-Jun-81)
  Lamont (17-Aug-81)
  Okotoks (14-Sep-81)
  Bruderheim (18-Jan-82)
  Onoway (1-Feb-82)
  Edmonton Hys Centre (22-Mar-82)
  Slave Lake (29-Mar-82)
  St. Albert (29-Mar-82)
- Agency service was extended to the communities of:
  Winfield (25-Apr-81)
  Compeer (23-Jun-81)
  Nobleford (16-Nov-81)
  Devon (27-Jan-82)
  Alix (01-Mar-82)
  Wembley (29-Mar-82)
- A Registered Retirement Savings Plan (RRSP) was introduced in Treasury Branches in Jan-82, providing a deposit vehicle in which an individual can invest money for his/her retirement and defer paying income tax on the money contributed.
  - The investor is offered two options:
    (i) A deposit account, similar to a savings account.
    (ii) A fixed rate term account, to which the investor may deposit funds for terms of one to five years at a fixed rate of interest.
- The automation of branches continued during the year, with 11 branches converted to the demand deposit accounting system, bringing the total to 26. Also during the year, 19 branches were converted to the "on-line" system. Conversion to this system commenced 22-Apr-81.

Note: A comprehensive review is published annually with extensive detail on the financial operations and activities of Alberta Treasury Branches. Copies may be obtained from any of the branches or agencies, or from the address listed in Appendix C.

OFFICE OF THE CONTROLLER

FUNCTIONS

- Administer financial systems relating to the receipt and disbursement of public money, control of banking transactions, payment reporting, loans and advances, and general ledger accounting for all government funds and agencies that are users of central systems.
- Prescribe accounting, financial control and reporting policies and procedures for financial administration in departments and for overall government accounting and financial reporting.
- Maintain the financial records of all government funds that are administered by Treasury and prepare interim financial reports for funds and agencies as required, and prepare the Public Accounts.
- Review departmental procedures for adherence to accounting and financial control policies and procedures and provide advice and assistance in improving procedures to meet prescribed standards.
- Examine proposed disbursements for legality, authority and availability of funds.
- Administer and control receipts and disbursements for six pension plans: Public Service; Public Service Management; MLA; Local Authorities; Special Forces; and Universities Academic.

HIGHLIGHTS

- The consolidated financial statements of the Province have been revised to a basis of full consolidation of revenues and expenditures of all consolidated entities except those reported on an equity basis. This provides improved reporting of overall government revenue sources and expenditures by major function and object.
- A new pension payment system was implemented which provides for the direct deposit of monthly pension payments to the pensioners' bank accounts. Direct deposit will speed the payment process for pensioners and assures pensioners that their pension cheque will be received and deposited during vacations or postal disruptions.
- Improvements were made to the payroll distribution system which will speed payments to temporary staff working for the Alberta government.
- Implementation of statistical sampling techniques for selection of payment transactions for review by Disbursement Control has reduced the payment processing times within the division by 20 per cent. The sampling technique used facilitates examination of large-dollar and other potentially sensitive transactions, which provides improved assurance that significant payment transactions are adequately reviewed.
- In response to concerns raised in the report of the Auditor General for the year ended 31-Mar-80 respecting controls over EDP systems, a manual on "Control Standards for EDP Systems" was issued. This manual provides departments with working guidelines for developing EDP systems that meet defined requirements and provide adequate controls that reduce the potential for computer fraud. Procedures for the approval of EDP systems were streamlined, placing greater emphasis on an overall EDP plan rather than piecemeal approval of individual systems.
- As of 31-Mar-82, there were approximately 120,000 contributors to the pension plans including public service employees, local authority employees, special forces employees (police), university academic employees, and MLAs.

  In addition, the number of participating employers rose from 519 in 1980-81 to 546 and the number of pensioners increased to 14,400, an increase

of 10.8 per cent over 1980-81. Total pension contributions received were $229 million and total payments for the year ended 31-Mar-82 were $119 million.

- More than 3.8 million cheques were prepared in the past year through the central payment system. The supporting enquiry service, which investigates payment problems, handled 13 enquiries from suppliers per day. Cheques were issued to approximately 90,000 suppliers. Of the 3.8 million cheques, salaried government employees received 770,000 cheques for a total of $945 million gross salary. Wage employees received 295,000 cheques for $236 million. A total of 2,673,000 payroll transactions were received and processed.

BANKING AND CASH MANAGEMENT

FUNCTIONS

- Manage the banking operations of the provincial government and designated boards and agencies. Monitor the organization of provincial banking to ensure that effective cash management practices (such as funds collection systems, payment systems and cash concentration systems) are in place for optimal cash utilization. Provide effective methods of making government payments in foreign currencies. Maintain a high level of cash management expertise to be available to independent corporations, boards and agencies.
- Project and analyse government cash flows, including investment accounts and revenues and expenditures, in order to prepare cash flow forecasts (daily, weekly, monthly and annual) which assist investment and debt management decisions.
- Monitor receipt of investment income and deposit all income received to proper accounts.
- Administer all provincial debt to ensure payment of interest when due and payment of principal upon maturity, as well as the allocation of sinking fund payments.

HIGHLIGHTS

- Assisted implementation of direct deposit of Government of Alberta pension payments.
- Assisted implementation of direct deposit of payments from Health Care Insurance to medical practitioners.
- A new cash management system for our U.S. dollar accounts in New York was implemented to concentrate these funds and obtain better interest revenues on the balances.
- Implemented on-line terminal access to balances at various banks to provide a more effective basis for cash management of funds in these institutions.
- Commenced implementation of an automated funds transfer system for court fines, costs and bail monies.
- Initiated a major operational banking review and began conversion to a fully computer-based cash management program.
- Initiated development of a computer-based cash forecasting system.
- Commenced the development of computer systems and planning requirements for debt management.

FINANCE PLANNING AND ANALYSIS

FUNCTIONS

- Coordinate Treasury's planning and policy analysis related to the Alberta Heritage Savings Trust Fund.
- Review potential investments for the Alberta and Energy investment divisions of the Alberta Heritage Savings Trust Fund for the purpose of advising whether investment criteria can be met.
- Provide economic and financial analysis of projects considered for investment.
- Review and analyse capital budgets for Provincial corporations, funds and agencies for the purpose of preparing estimates of non-budgetary financing requirements for the provincial budget.
- Analyse proposals for new funds, agencies and Provincial corporation programmes and provide recommendations and advice related to their financial and policy implications.
- Provide analysis on a broad range of financial issues for the purpose of recommending alternative policies to integrate the economic and financial policies of the government.
- Manage the budget cycle for the Capital Projects Division of the Alberta Heritage Savings Trust Fund, including the call for and analysis of investment proposals and the presentation of estimates of proposed investments for submission to the legislature.
- Monitor Capital Projects Division investments to ensure adequate control procedures and develop and recommend financial planning and control procedures.
- Prepare the quarterly and annual reports of the Alberta Heritage Savings Trust Fund.

HIGHLIGHTS

- Financial and economic analytical support was provided on a number of projects considered for provincial investment.
- Reviews were undertaken of capital budgets, programmes and capital financing requirements of Alberta Housing Corporation, Alberta Home Mortgage Corporation, Alberta Opportunity Company and Alberta Agricultural Development Corporation.
- The division analysed and provided advice on proposed provincial initiatives for the establishment of new funds, agencies and programmes with financial policy implications.
- Assistance and advice on financial policy matters were provided by the division to departments during the drafting of legislation and preparation of decision documents.
- Computerization of project evaluation procedures and forecasting methodology during the year increased the division's analytical capability and flexibility.

INVESTMENT MANAGEMENT

FUNCTIONS

- Develop and implement strategies for the investment of cash reserves, long-term investment portfolios and various sinking funds of the province and a number of its agencies.
- Assist in maintaining an orderly market for publicly-traded securities issued and/or guaranteed by the Province of Alberta.
- Provide investment research as input to investment strategies and the execution of investment transactions.

HIGHLIGHTS

- Organization

  Development of the division continued in 1981-82. A chief investment officer, a portfolio manager, a trader, market specialists and analysts were recruited. These additions increased the depth and breadth of expertise available to manage the increased number of portfolios under management and the greater diversity in investment activity.

- Major Portfolios Under Management

  — General Revenue Fund (GRF)

  With the establishment of the Pension Fund last year, the strategy for GRF was directed at providing for the general liquidity requirements of the province. A programme of increasing the fund's liquidity was followed throughout the year.

  — Consolidated Cash Investment Trust Fund (CCITF)

  This cash management facility provides participants with the benefits of fully invested cash balances along with full liquidity. Investments are concentrated in high-grade, short-term securities.

  — AHSTF/Section 10

  The surplus funds of the AHSTF are managed under Section 10 of the Alberta Heritage Savings Trust Fund Act. These monies are invested in a variety of marketable fixed-income securities to provide liquidity for the other divisions while at the same time enhancing the return on funds not yet committed to other divisions.

  In response to increased commitments of the other divisions, new investments were directed to short-term securities. Longer-term security holdings were liquidated as market conditions permitted.

  — AHSTF/Commercial Investment Division

  This division commenced operations in fiscal 1981-82. Its purpose is to make investments which will yield a commercial rate of return. By year-end, $93 million was invested in Canadian equities and $98 million was in short-term securities. Further equity investments will be undertaken in line with market conditions.

  — Workers' Compensation Fund

  The fund's investment parameters have been broadened to allow greater exposure to equities, mortgages and real estate as a means of meeting long-term liabilities. The fund continued to show rapid growth through contributions and income, reaching about $590 million by year-end.

  — Medical Research Endowment Fund (MREF)

  In its second year of operation, the MREF investment strategy was keyed to the developing research support programme of the Alberta Heritage Foundation for Medical Research. As the research programme evolved, short-term investments were diversified into equities, bonds and participating mortgages.

  — Deposits Fund (Alberta Treasury Branch)

  To enhance the overall returns of Treasury

Branches, surplus monies of the fund not required for Treasury Branches operations are invested in high-grade, short-term securities.

— Alberta Heritage Scholarship Trust Fund

A new endowment of $100 million was provided from the Capital Projects Division of the AHSTF to support a wide range of scholarships for Albertans. Reflecting the newness of the fund and the scholarship programme, the year-end investments were concentrated in short-term securities.

— Sinking Fund

Sinking Fund operations for the Alberta Municipal Financing Corporation, Province of Alberta, Alberta Resources Railway and the Alberta Universities Commission provided for the eventual retirement of the issues as well as marketability for current holders of the securities issued by these bodies.

- Other

A commercial mortgage analysis system was developed and the first stage of a specialized performance measurement system was implemented.

INVESTMENT SYSTEMS AND SETTLEMENTS

FUNCTIONS

- Arrange for the settlement of investment transactions for the General Revenue Fund, the Alberta Heritage Savings Trust Fund, the Consolidated Cash Investment Trust Fund, the Pension Fund and other trust and investment funds.
- Provide investment control, accounting and information reporting services for the above funds by operating the Treasury investment information system, the Consolidated Cash Investment Trust Fund system and other computer and manual systems.
- Manage the ongoing maintenance and development of systems to support the control, accounting and management information functions of Treasury's finance and investment activities.

HIGHLIGHTS

- The section undertook responsibility for settlement of money market, mortgage and real estate transactions.
- During the year approximately 9,100 investment transactions were settled.
- Developed a computerized debt payment control system for the province's long-term debt.
- Completed design specifications and substantially completed programming for an integrated cashflow projection system to forecast short-term and medium-term cash flows for the General Revenue Fund, the Heritage Fund, the Consolidated Cash Investment Trust Fund, the Pension Fund and other investment trust funds.

PROJECT INVESTMENTS

FUNCTIONS

- Document and administer all investments under the Canada, Alberta and Energy investment divisions of the Alberta Heritage Savings Trust Fund.
- Manage the financial control and administrative aspects of the government's guaranteed loan programmes.
- Develop policies and regulations respecting guaranteed loans.
- Provide analysis and recommendations on a broad range of investment proposals and guaranteed loan proposals and develop alternative forms and levels of government participation.
- Administer and control a variety of advances to funds and agencies.

HIGHLIGHTS

- Loans totalling $420 million were made to six provinces or their agencies under the Canada Investment Division.
- Loans totalling $2.0 billion were made to six major Provincial corporations under the Alberta Investment Division.
- Investments totalling $11.4 million were made in four Alberta corporations under the Alberta Investment Division.
- A total of $2.8 billion of guaranteed loans and debenture debt was administered during the year.

BUDGET BUREAU

FUNCTIONS

- Assure that budgetary procedures facilitate the implementation and control of government programmes.
- Provide information and policy analysis to assist the Cabinet committee on Finance, Priorities and Coordination in making financial resource allocations.
- Specific responsibilties are to:
  - prepare and coordinate for submission to the legislature the annual budget estimates of departments and agencies;
  - assess budget implications of new programmes in legislative proposals for consideration by the Provincial Treasurer, the Finance, Priorities and Coordination committee and Cabinet;
  - review and analyse requests for special warrants prior to Cabinet review;
  - analyse and make recommendations on requests for transfers of funds prior to consideration by the Provincial Treasurer;
  - review and analyse requests for land purchases through the Government Land Purchase Fund;
  - review and analyse trends implicit in multi-year programmes and annual estimates of expenditure for consideration by the Provincial Treasurer and the Finance, Priorities and Coordination committee; and
  - develop improved budgetary procedures and prepare recommendations on various aspects of budget administration.

HIGHLIGHTS

- Analyses were prepared and the review of departmental budget submissions was coordinated for the 1982-83 Estimates of Expenditure.
- Provided budget policy advice on, and assisted in the coordination of, several new programme initiatives undertaken by the government, including:
  - the Electric Energy Marketing Agency;
  - support of Universiade '83;
  - support of the Calgary Centre for Performing Arts;
  - support of the Calgary Olympic Coliseum;
  - transfer of nursing education programmes to Alberta Advanced Education and Manpower;
  - the hospital funding policy review project;
  - transfer of N.A.I.T. and S.A.I.T. to Board governance; and
  - establishment of the Alberta Petroleum Incentives Programme
- Subsequent to the issuance of a Treasury Board directive on procedures for the management of electronic data processing, the bureau participated with the Office of the Controller and Alberta Government Services in the development of manuals and guidelines in support of the directive, which were distributed to departments during the year.
- Assisted Personnel Administration Office by participating in seminars provided for new managers on budgeting and financial control in government.

BUREAU OF STATISTICS

FUNCTIONS

- As outlined in the Statistics Bureau Act, general responsibility is to collect, compile, analyse, abstract and publish statistical information relative to the commercial, industrial, financial, social, economic and general activities and conditions of the province.
- Specific responsibilities are to:
  - — provide statistics for the development and evaluation of public policies and programmes;
  - — promote and coordinate plans for the collection and integration of statistics pertaining to Alberta and their dissemination to the government and private sectors;
  - — collaborate with government departments in the publication of related departmental statistical information;
  - — serve as a focal point for coordination of Alberta statistical programmes with those of the federal and other provincial governments;
  - — serve as the central statistical agency of the government.

HIGHLIGHTS

- Dissemination activity of 1981 included responses to 7,104 requests, an increase of 11 per cent over 1980. Approximately 37 per cent of requests originated within government, 32 per cent were from the business sector and the remainder came from private individuals, the academic community and others.
- The inter-departmental Statistics Coordinating Committee, chaired by the bureau, continued to meet bi-monthly to exchange information on new statistical developments and seek solutions to areas of concern. Two new subcommittees were created. The new subcommittee on statistical data banks began a study on the feasibility of increasing the availability of computerized data to both the public and private sectors. The subcommittee on demographic statistics concentrated on developing ways of meeting the increased need for demographic data.
- The bureau's efforts to expand the extent and accessibility of Alberta community data included the development of computerized profiles for Alberta communities having populations of 2,000 or more. Each profile contains 155 characteristics. In addition, the bureau expanded the Alberta portion of the CANSIM time series base to over 9,000 time series on economic, social and demographic statistics.
- Educational materials and ongoing programmes were prepared and used in seminars designed to increase awareness of the availability and applications of the bureau's statistical data and services.
- A project designed to facilitate the standardization of Alberta municipal censuses continued and included the production of an experimental Enumerator's Manual, basis census forms and plans to test the procedures in some municipalities in the province.
- Assistance to Alberta government departments and agencies included:
  - — expansion of the postal code translator file to include three more administrative areas;
  - — continued updating of the Alberta business register;
  - — development of special tabulations from the Alberta input-output tables;
  - — specialized population projections and estimates for the province and census divisions.
- A number of major projects and activities were initiated:
  - — conducted a survey to collect statistics on Alberta manufacturing firms and shipments of Alberta-made products beyond the province;

— developed an experimental model to estimate personal income by census divisions in Alberta;

- Three new publications were added to those produced and distributed by the bureau:
  - — Personal Income by Census Divisions, Alberta, 1973-1979
  - — The Input-Output Structure of the Alberta Economy 1974
  - — Evaluation Report on Population Projections, Alberta.
- All publications now available from the Alberta Bureau of Statistics are listed in Appendix C.

Note: A Users' Guide is available to those interested in further information. This brochure presents an overview of information and services available through the Bureau of Statistics. Included are sections on how to obtain information, a discussion of programme objectives and activities and a brief description of each of the bureau's publications.

BUDGET PLANNING AND ECONOMICS

FUNCTIONS

- Plan and coordinate the preparation of the annual provincial Budget Address.
- Report on the current economic situation and analyse the outlook for the provincial, national and international economies.
- Prepare estimates of the government's short- and medium-term fiscal position, identifying factors affecting that position and analysing policy options.
- Monitor the government's financial plan through the year and coordinate the preparation of the annual Financial Summary and Budgetary Review.
- Analyse and make policy recommendations concerning the fiscal and economic aspects of government programmes and policies and various issues, such as interest rates, public sector compensation and pension policy.
- Analyse and make policy recommendations on federal-provincial and provincial-municipal fiscal relations.

HIGHLIGHTS

- Completed preparation of the 1981 Budget Address and coordinated the planning and preparation of the 1982 Budget Address.
- Analysed issues related to federal-provincial energy negotiations, particularly the impact on Alberta's economy, the government's financial plan and medium-term fiscal position.
- Participated in numerous federal-provincial and interprovincial meetings on fiscal and economic matters.
- Played a lead role in the renegotiation of the major federal-provincial fiscal arrangements for equalization and the financing of health care and post-secondary education.
- Prepared briefing material on interest rates, inflation, unemployment and general economic conditions for the Feb-82 First Ministers' Conference on the Economy.
- Prepared and coordinated analysis of pension policy issues involving the Canada Pension Plan and private pensions.
- Participated in a ministerial advisory committee studying provincial-municipal financial relations.
- Reviewed and contributed to the overall assessment of the Nov-81 federal budget and other federal economic policies.

TAX POLICY

FUNCTIONS

- Analyse the impact of federal and provincial tax policy and recommend Alberta tax measures to serve specific objectives. Coordinate drafting of tax legislation.
- Liaise with Revenue Canada and Alberta Treasury's Corporate Tax Administration and Revenue Administration divisions with respect to the implementation and ongoing administration of tax programmes.
- Evaluate the impact of Alberta resource levies on industry and provincial revenue; provide input on the design of specific resource related programmes; evaluate the consistency between Alberta resource levies and the tax system.

HIGHLIGHTS

- Participated in the analysis and discussion leading up to the Canada-Alberta Energy Agreement.
- Participated in the review of the Alberta royalty and tax system as they related to the oil and gas industry.
- Participated in the design of a fiscal package for synthetic oil projects.
- Provided policy input on the enrichment of the Alberta Royalty Tax Credit, including monthly payment, Extended Alberta Rental Investment Incentive programme and waiving of income tax instalments for small businesses.
- Coordinated drafting of the Alberta Income Tax Amendment Act, 1981 and began drafting of the Alberta Corporate Income Tax Amendment Act, 1982.
- Reviewed the 12-Nov-81 federal budget and subsequent amendments.
- Provided policy advice and drafted regulations remitting Alberta income tax in specific situations.
- Responded to numerous enquiries on the Alberta and federal tax system, provincial sales taxes and provincial tax programmes.
- Received and reviewed numerous proposals and questions from the public on Alberta tax policy.

CORPORATE TAX ADMINISTRATION

FUNCTIONS

- Plan, develop and maintain operational functions related to the collection of Alberta corporate income tax, which includes registration of corporations in compliance with the Act, assessment and collection of taxes.
- Verify declared corporate income tax and incentive entitlements for Alberta purposes; identify and redress areas where taxpayers have improperly minimized declared income or maximized incentive eligibility.
- Support the administrative, operational and management information requirements of Corporate Tax Administration through manual and automated systems.
- Design and implement computerized information systems to support the tax collection function.
- Identify provisions of the Alberta Corporate Income Tax Act which cause administrative concerns; analyse proposed legislation for administrative implications and considerations; assist taxpayers and practitioners in interpreting the Act by providing rulings and opinions; respond to objections and appeals by taxpayers in respect of their assessed taxes.
- Communicate the provisions, procedures and programmes of the Alberta Corporate Income Tax Act, and ensure quality, consistency, comprehensiveness and timeliness of public contact.

HIGHLIGHTS

- Audit
  - — Surveyed corporate data currently available from sources within the Alberta government for use in a systematic audit selection process.
  - — Ensured adequate auditor training by developing an instruction course and revising existing audit manuals.
  - — Progressed in the development of a computerized audit selection system.
  - — Participated in planning and drafting procedures of other CTA divisions.
- Interpretations and Appeals
  - — Identified administrative difficulties posed by the existing Alberta Corporate Income Tax Act and by contemplated changes to it.
  - — Assisted in preparation of amendments to the Alberta Corporate Income Tax Act.
  - — Rendered technical interpretations of the Act for taxpayers, their representatives and for staff members in other divisions of CTA.
  - — Issued various corporate income tax advance rulings to assist taxpayers.
  - — Issued Information Circulars and Interpretation Bulletins of interest to corporate taxpayers and tax preparers.
  - — Developed objection and appeals processes.
- Operations
  - — Processed Information Returns confirming the operating status of 120,000 of the 156,000 active corporations in the province — the remainder consists of new corporations or ones being actively solicited for this information.
  - — Supplied forms and schedules to more than 50,000 corporations required to file a provincial tax return for their first taxation period under the Alberta Corporate Income Tax Act. By 31-Mar-82, 4,000 returns had been received.
  - — Completed and forwarded to taxpayers approximately 400 Notices of Assessment, most of which were sent to corporations with short fiscal years.
  - — Received and processed a total of 56,980 instalment payments, with a gross value of $405,174,000.
  - — Developed, tested and implemented the accounting and assessments procedures manual.
  - — Participated in design, testing and implementation of an automated assessment system.
  - — Undertook development of an automated system for ensuring compatibility of data reported to both CTA and Revenue Canada, Taxation. It is to be operational by Aug-82.

- Formulated the general framework of tax return assessments. Procedures for manual reassessments are in place. An automated reassessment function is anticipated by early 1983.
- Designed the filing compliance system which is now in the final stages of development.
- Established basic collection functions and procedures. The full collection function is to become operational during 1982-83.
- Implemented enhanced accounting system functions.
- Established an account enquiries function for handling telephone and written queries pertaining to tax accounts, assessments and collections matters for specific corporations.

- Systems
  - Implemented three releases of the tax operations computer system, which incorporated enhanced tax roll reporting, initial tax return assessment processing and new accounting functions, including refund processing and recording of tax assessments on corporations' statements of account.
  - Completed the requirements definition and preliminary systems designs for the reassessment and collection functions, for the interface systems for receiving tax data from Revenue Canada, Taxation and for extracting and generating data for tax policy analysis. Implementation of these functions late in 1982 will complete the initial development of the tax operations system.
  - Completed the preliminary design of a computerized tax audit system and contracted for the remaining system development to be completed by Jan-83.
  - Selected and installed computer software for the on-line data base and undertook initial planning for on-line tax roll displays and tax return tracking, implementation of which should be completed by mid-1982.
  - Converted development and production processing from the Alberta Government Telephones/Alberta Government Services Terrace Computing Centre to the new Tax Administration Computing Centre. This provided CTA with dedicated processing capacity, now fully operational, to process corporate income tax returns expeditiously.
  - Continued to design forms and prepare operational procedures manuals in pace with development of CTA. Five procedures manuals have been issued to date; others will be prepared as the remaining functions in CTA reach operational status.

- General Services
  - Refined procedures to increase service capacity and meet demand for word-processing services.
  - Initiated renovation of offices throughout the Haultain Building to allow for the more functional use of space.
  - Developed and operated a CTA library which includes publications, a display and training area, educational film services and a catalogue of collected materials.
  - Implemented security, safety and emergency evacuation procedures.
  - Developed procedures manuals for general service functions.

- Tax Information Services
  - Established guidelines for answering enquiries and providing technical referral services. Implemented statistical and feedback reporting systems; installed telephone hardware; created internal channels for communications of taxpayer feedback; established enquiry officer training programmes.
  - Provided editorial and writing services and print procurement services to CTA divisions.
  - Participated in development of forms, guides and other publications.
  - Established and maintained contact with professional associations, other Alberta government departments and departments of other levels of government to facilitate the dissemination of tax information and forms.
  - Organized a series of tax information seminars for the benefit of small businesses and tax preparers.
  - Completed an initial plan for a Calgary enquiries facility to be operational by autumn, 1982.

REVENUE ADMINISTRATION

FUNCTIONS

- Collect and account for taxes due under the provisions of the Fuel Oil Administration Act and the Tobacco Tax Act.
- Administer the provision and control of the Alberta Farm Fuel Distribution Allowance and the Alberta Domestic Heating Oil Allowance.
- Administer the Utility Companies Income Tax Rebate programme.
- Audit the records of collectors and dealers under both the Fuel Oil Administration Act and the Tobacco Tax Act.
- Collect and audit pari mutuel tax pursuant to the provisions of the Pari mutuel Tax Act.
- Operate a central collection service for government to maximize the recovery of accounts and loans in default owing to the Crown.
- Develop and encourage good collection procedures and vigorous collection efforts by departments and agencies.
- Make recommendations for compromises, remissions or write-offs of accounts and loans receivable.
- Operate a central revenue deposit service for government.
- Contract for and coordinate the armoured car service for government.
- Review and evaluate minor revenue sources such as fees, permits and other miscellaneous types of revenue and recommend changes to improve the cost-effectiveness or efficiency of the revenue collection process.
- Disseminate information and provide assistance to departments and agencies concerning federal sales tax regulations and their implications.
- Coordinate the cost accumulation and claiming process under various federal-provincial cost shared programmes.

HIGHLIGHTS

- A series of information circulars to tax collectors was developed to highlight certain specific legislative requirements.
- A programme to monitor fuel dyeing quality and procedures at Alberta refineries was instituted.
- An extensive programme of liaison with Alberta Highway Patrol was initiated to encourage vigorous enforcement under the Fuel Oil Administration Act.
- Continued improvements in the procedures for desk review and field audit of tax returns resulted in increased cash recoveries.
- Revisions to file handling procedures within Crown Debt Collections, combined with the capabilities of word processing equipment, contributed to a significant increase in files handled by each collector to more than double last year's level.
- Guidelines covering the control and collection of government receivables were developed for distribution to all departments.
- Assumed responsibility for the collection of student loans and repayable grants and bursaries in Nov-81.
- A survey of minor revenue sources in all departments was completed and a preliminary inventory was prepared.
- Instructions for proper deposit, handling and accounting for cash receipts by departmental cashiers were developed and distributed. Procedures are now in place and operative.

- The central revenue office ledgers for all General Revenue Fund and Trust Fund accounts were put onto a word processing system, which resulted in considerable savings in input time, more timely reporting and more useful information.
- During the year, the central revenue office recorded deposits to the General Revenue Fund in excess of $16.5 billion, comprising total government revenues as well as sales and maturities of investments. Of this amount, cheques and currency totalling $400 million were actually handled by the cashier, with the balance being handled through bank direct-deposit and transfer systems or deposited directly by departments using the armoured car service.
- Guidelines respecting federal sales and excise tax were developed and distributed to departments, and departments were assisted in implementing appropriate procedures to recover sales taxes paid.

Statistical Summary
1981-82
($ thousands)

REVENUES COLLECTED

Taxes
- Fuel oil tax
- Tobacco tax
- Pari mutuel tax

Payments from Government of Canada

Cost-shared programmes
- Alberta North agreement
- Nutritive processing assistance

Statutory subsidies

MANAGEMENT OF PAST-DUE GOVERNMENT RECEIVABLES

Collections
Compromises
Write-offs

PAYMENTS TO SUBSIDIZE ALBERTA CONSUMERS

Farm fuel costs
(Alberta Farm Fuel Distribution Allowance)

Householder utility costs
(Utility Companies Income Tax Rebate Programme)

CORPORATE MANAGEMENT SERVICES

FUNCTIONS

- Provide accounting, investment and debt management services to the Alberta Resources Railway Corporation.
- Manage the affairs of the Alberta Municipal Financing Corporation, a non-profit Crown corporation established to:
  - assist municipalities and other eligible local authorities to obtain capital funds at the lowest possible cost.
  - issue debentures of the corporation, guaranteed as to principal and interest by the Province of Alberta, to obtain funds for local authorities at more advantageous rates than could be arranged by municipal governments borrowing independently.

HIGHLIGHTS (year ended 31-Dec-81)

- Alberta Resources Railway Corporation
  - The outstanding long-term debt of the corporation at the end of 1981 was $103.4 million, with assets in the sinking fund totalling $22.8 million.
  - The tonnage rental revenue increased to $4.8 million in 1981, up from $4.2 million in 1980.
- Alberta Municipal Financing Corporation
  - The Alberta Municipal Financing Corporation Amendment Act, 1981, which received royal assent on 2-Jun-81, provided for an increase in the borrowing limits of the corporation from $3.2 billion to $4.3 billion.
  - New loans issued in 1981 totalled $843.9 million, an increase of $101.2 million from the $742.7 million in total loans made in 1980.
  - The capital required to satisfy the needs of municipal, school and hospital authorities in 1981 was obtained by the corporation largely from the following sources:

Government of Alberta	$579.0 million
Canada Pension Plan Investment Fund	$265.1 million

  - Total outstanding loans receivable were $3.1 billion, up from $2.4 billion at the end of 1980. Of the total outstanding loans at the end of 1981, 82 percent was borrowed originally for municipal purposes and 18 per cent for school purposes.
  - Interest rates during 1981 were extremely volatile and ranged between a low of $13^{3}/_{4}$ per cent and a high of 19 per cent for 20-year term loans. The lending rate at the end of the year was $16^{1}/_{2}$ per cent.

The outstanding debt of the Alberta Municipal Financing Corporation at the end of 1981 stood at $3.530 billion with assets in the sinking fund totalling $480 million. The outstanding debt is analysed as follows:

Held By	Original Issue	Gross Outstanding 31-Dec-81	Outstanding as a Percentage of Total
	($ thousands)		
Canada Pension Plan Investment Fund	[illegible]	[illegible]	[illegible]
Government of Alberta	1,174,000	1,174,000	33.3
Public:			
Canada	[illegible]	[illegible]	[illegible]
United States	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

The Alberta Muncipal Financing Corporation has loaned a total of $4.978 billion to municipal jurisdictions since its inception in 1956. Of this amount, $3.116 billion remains outstanding at 31-Dec-81. These loans are analysed as follows ($ thousands):

By Jurisdiction	Principal Outstanding 31-Dec-80	New Loans Issued 1981	Principal Repaid 1981	Principal Outstanding 31-Dec-81
Cities	[illegible]	[illegible]	[illegible]	[illegible]
Towns	[illegible]	[illegible]	[illegible]	[illegible]
Villages	[illegible]	[illegible]	[illegible]	[illegible]
Counties				
Schools	[illegible]	[illegible]	[illegible]	[illegible]
Other	[illegible]	[illegible]	[illegible]	[illegible]
Municipal Districts	[illegible]	[illegible]	[illegible]	[illegible]
Improvement Districts	[illegible]	[illegible]	[illegible]	[illegible]
Hospitals	[illegible]	[illegible]	[illegible]	[illegible]
School Districts and Divisions	[illegible]	[illegible]	[illegible]	[illegible]
By Purpose				
Municipal	[illegible]	[illegible]	[illegible]	[illegible]
Hospital	[illegible]	[illegible]	[illegible]	[illegible]
School	[illegible]	[illegible]	[illegible]	[illegible]

RISK MANAGEMENT AND INSURANCE

FUNCTIONS

- Administer and coordinate a comprehensive risk management and insurance programme to protect the assets and risk of government and of other entities covered under the master programme;
- Risk assumption — determine the frequency, severity and probability of loss from actual experience plus anticipated related increases in past cost. Establish a basic aggregate value of losses for each class of insurance that will be accepted and assumed as normal or tolerable within financial capability;
- Risk control – analyse the loss experience of the insured entities. Institute loss control practices by using statistics developed within the division in conjunction with physical risk data as identified by specific and continual field inspection; administration of self-assumed losses and of subrogation;
- Risk transfer – arrange to transfer risk of loss by contract to third parties other than insurance companies. Arrange to transfer, where economical, to private underwriters, the risk of loss above the self-assumed exposure to cover for unexpected, accidental and severe losses to those risks not otherwise transferable.
- Provide assistance and direction to the insured entities in the matter of contractual agreements, legislative documents and the like, both existing and proposed, by analysing, identifying and determining direct or indirect involvement with any form of insurance and potential liability.
- Provide assistance and direction to Crown lending institutions (Alberta Agricultural Development Corporation, Alberta Opportunity Company, Alberta Home Mortgage Corporation) to protect the mortgage interest of each corporation. Recommend appropriate coverage to protect the financial interest of the client.
- Adjust or monitor the adjusting of all insurable losses protected under the master programme.

HIGHLIGHTS

- A master Course of Construction programme was prepared for Alberta Housing and Public Works for further implementation.
- Review and input was made to various items of legislation, including the Dangerous Goods Act and the Hazardous Waste Disposal Act.
- The programme accepted as a participant the Glenbow Foundation, including museum contents.
- An automobile fleet loss control statement was prepared and preliminary work implemented on a fleet driver safety programme.
- Introduced an audio-visual presentation on risk management within the government.
- Arranged major owner-controlled insurance programmes for Alberta Environment and the Alberta Liquor Control Board.
- Assisted in arranging for the smooth transition out of our programme of four public colleges.

ADMINISTRATIVE SERVICES

FUNCTIONS

- Implement administrative policies and procedures established by the Deputy Provincial Treasurer and the executive committee of Alberta Treasury.
- Assist divisions to identify communication needs. Develop and manage the resulting programme of communication activities, including coordination of divisional projects and supervision of external resources. Provide liaison with Public Affairs Bureau.
- Plan, prepare, produce and distribute publications.
- Manage the provision of office accommodation for the department.
- Provide back-up word processing services and operator training for divisions.
- Provide consultative services for the department with respect to procurement and use of word processing and other administrative systems.
- Administer the department's forms and records management programmes.
- Provide technical and reference library services to the department.
- Provide technical support in development and maintenance of computer systems for the department.
- Assist divisions with plans and preparations for meetings, seminars and conferences by locating suitable facilities and coordinating the event.

HIGHLIGHTS

- Established a management-level position, seconded from Public Affairs Bureau, to aid Treasury division directors to determine and fulfill departmental communication requirements.
- Planned, developed and implemented audio-visual programmes for Personnel Services and for Risk Management and Insurance.
- Reviewed the design and successfully coordinated the production and distribution of the publications listed in Appendix C (i), and developed a new Employee Handbook. Continued the process of enhancing employee communication through surveys and improvements to the TREA$URY STAFF MATTERS newsletter.
- Assisted in the development of a public information unit within Corporate Tax Administration and contributed to its programme development and execution.
- Through Alberta Government Services and Alberta Housing and Public Works renovations were completed to meet the ongoing accommodation needs of the department and to upgrade existing accommodation to more adequately meet the increasing needs of the department.
- Established five communicating word processing centres in Treasury, consisting of 29 terminals in three buildings.
- Provided in-house user and operator education in word processing through seminars, audio-visual presentations and on-the-job training.
- Provided records management policies and procedures for various divisions on microfilming practices, records storage and records retrieval.
- The systems coordination section assisted:
  - — Tax Policy on the royalty tax credit cost estimates and several special projects related to personal and corporate income tax information;
  - — Investment Systems and Settlements on the enhancement of the CCITF system and other finance-related systems;
  - — Investment Management on the Treasury Investment Strategy Simulation system;
  - — Corporate Tax Administration on the Royalty Rebate and Credit system;
  - — Risk Management and Insurance on the redesign of the Insurance Loss Control system.
- Coordinated conferences for various divisions.

FINANCIAL SERVICES

FUNCTIONS

- Establish and maintain department accounting records and procedures, ensuring adequate financial control within the department.
- Prepare annual departmental budget and monitor expenditures throughout the fiscal year.
- Provide administrative support for provision of supplies, equipment and furnishings.
- Administer attachment of wages and salaries of government employees, pursuant to the Civil Service Garnishee Act and federal statutes.
- Monitor contracts with the private sector entered into by the department.
- Administer Workers' Compensation payments on behalf of all government employees.
- Maintain registration records on debentures of the Province of Alberta, the Alberta Municipal Financing Corporation, the Alberta Universities Commission, Governors of the University of Alberta, the Alberta Resources Railway Corporation and the Alberta Government Telephones Commission.
- Facilitate, upon request, changes to registration and exchange outstanding debentures for debentures of different denominations.
- Administer interest payments on fully registered debentures and account for negotiated coupons and redeemed debentures for publicly-held securities.
- Provide a central safekeeping service to government.

HIGHLIGHTS

- Developed an automated financial forecasting system for the department to update the financial forecasts in a more timely and efficient manner.
- Implemented a follow-up system on the payment of accounts to assist in paying invoices by due date.
- Documented and streamlined the procedures for the payment of accounts.
- Co-ordinated the completion of a Treasury electronic data processing plan.
- Reduced the risk of loss by minimizing certificates held in bearer form.
- Implemented procedures to enhance control over cheques issued for debt interest.

PERSONNEL SERVICES

FUNCTIONS

- Liaise with Personnel Administration Office with respect to all matters pertaining to the personnel of the department.
- Administer the pay and benefits programme and the collective agreements between the government and the Alberta Union of Provincial Employees as they relate to Treasury.
- Provide advice and assistance to the department in staffing, development and use of personnel resources.
- Recruit and select personnel by establishing standards for screening and selection, conducting interview panels, providing input as to selection, including reference checks, and coordinate advertising of vacant positions.
- Analyse requests for position classification or reclassification including conducting job audits.
- Conduct personnel induction interviews to familiarize all new employees with Treasury's conditions of employment, employee benefits, policies and procedures, etc. and exit interviews for those persons leaving the employ of Treasury.
- Arrange and conduct staff training and development seminars for department personnel.

HIGHLIGHTS

- Since the Sept-81 inception of our internal training and development programme, we have provided practical, inexpensive in-house training for 205 Treasury employees in addition to coordinating training and development activity for 445 members of our staff with external training organizations. The establishment of a Treasury training and development coordination committee with representatives from all divisions has placed greater emphasis on the examination of training and development needs and equity of access.
- The following tables indicate personnel statistics for the fiscal year ended 31-Mar-82.

Personnel
Selected Transactions
During Fiscal Year 1981/82 (a)

	Hirings	Separations	Positions Classified and Reclassified
Managerial	22	11	15
Professional	72	22	8
Technical	44	22	41
Support	181	119	8
Other	1	0	3
	320	174	222

Position Establishment
at 31-Mar-82 by Classification (a)

	Occupied	Vacant	Total
Managerial	171	14	185
Professional	63	25	88
Technical	70	19	89
Support	288	30	318
Other	7		7
	628	117	745

(a) Excludes Alberta Treasury Branches and Alberta Government Pensions Boards

Alberta Treasury
Position Establishment by Division/Section
as at 31-Mar-82 (a)

	Occupied	Vacant	Total
Provincial Treasurer's Office (b)	3	—	3
Deputy Provincial Treasurer's Office	7	2	9
Associate Deputy Provincial Treasurer's Office	3	—	3
Banking and Cash Management	11	—	11
Finance Planning and Analysis	10	3	13
Investment Management	22	5	27
Investment Systems and Settlements	9	1	10
Project Investments	5	2	7
Controller's Office	3	—	3
Accounting	37	1	38
Disbursement Control	73	8	81
Financial Control Standards	14	7	21
Payroll and Pensions	128	28	156
Budget and Management			
Budget Bureau	23	5	28
Bureau of Statistics	46	4	50
Fiscal Policy and Economics			
Budget Planning & Economics	9	1	10
Tax Policy	5	1	6
Revenue and Administration			
Administrative Services	20	3	23
Corporate Tax Administration	127	37	164
Financial Services	17	1	18
Personnel Services	7	1	8
Revenue Administration	29	4	33
Corporate Management Services	4	—	4
Risk Management and Insurance	17	3	20
	629	117	746

(a) Not including Treasury Branches. The number of persons employed by Treasury Branches at 31-Mar-82 was 2630.
(b) Excludes Provincial Treasurer and his Executive Assistant.

III. APPENDICES

A. Financial Information
   i. Expenditures by Object
   ii. Expenditures by Vote
   iii. Holdings of Investment Portfolios
B. Acts Administered by Alberta Treasury
C. Publications Available from Alberta Treasury
D. Executive of the Department

APPENDIX A (i)
BUDGETARY EXPENDITURE
CLASSIFIED BY OBJECT

	For the Year Ended 31-Mar-82 (a)	31-Mar-81
	($ thousands)	
MANPOWER:		
Salaries — Permanent Positions	13,914	9,780
Salaries — Non-Permanent Positions	941	442
Wages	854	629
Payments to Contract Employees	174	85
Employer Contributions	1,873	484
Allowances and Benefits	110	64
Total Manpower	17,766	11,484
SUPPLIES AND SERVICES:		
Travel Expenses	682	322
Advertising	14	90
Insurance	5,049	4,650
Freight and Postage	423	380
Rentals	234	185
Telephone and Communications	78	53
Repairs and Maintenance — Machinery and Equipment	43	31
Contract Services Including Professional, Technical & Labour Services	3,621	3,411
Data Processing Services	11,158	8,424
Hospitality	38	24
Materials and Supplies	1,277	1,291
Total Supplies and Services	23,634	18,851
GRANTS:		
Grants to Individuals	26,726	24,553
Grants to Non-Profit Organizations	17	11
Total Grants	26,743	24,564
PURCHASE OF FIXED ASSETS:		
Purchase of Data Processing Equipment	14	—
Purchase of Audio Visual Equipment	3	—
Purchase of Reproduction Equipment	15	—
Purchase of Office Equipment	179	89
Total Purchase of Fixed Assets	211	89
OTHER:		
Payments to Members of the Legislative Assembly & Executive Council	36	23
Pension Payments	0 (b)	95,858
Interest and Bank Charges	21,713	21,662
Long Term Disability Income Benefits	4,960	2,950
Total Other	26,709	120,493
TOTAL DEPARTMENT (c)	94,712	175,380

(a) Unaudited
(b) Represents Retiring Gratuity payments. Effective 1-Apr-81, all other pension payments have been charged to the Pension Fund
(c) Excludes Alberta Government Pension Boards

APPENDIX A (ii)
BUDGET ESTIMATES, SPECIAL WARRANTS, TRANSFERS AND EXPENDITURES CLASSIFIED BY VOTE

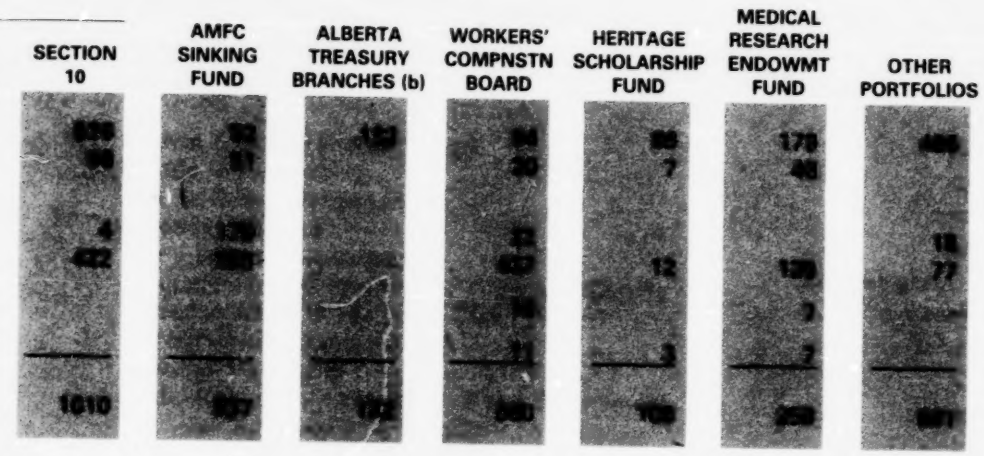
		1981-82 Budget Estimates	1981-82 Special Warrants and Transfers	Expenditure for the Year Ended (a)	
				31-Mar-82	31-Mar-81
		($ thousands)			
Vote 1:	DEPARTMENTAL SUPPORT SERVICES				
	Provincial Treasurer's Office	161	—	173	286
	Deputy Provincial Treasurer's Office	651	—	536	417
	Administrative Services	900	(8)	782	671
	Personnel Services	219	59	306	169
	Financial Services	317	—	340	241
	Total Vote 1	2,197	51	2,117	1,782
Vote 2:	STATISTICAL SERVICES				
	Bureau of Statistics	2,122	—	1,844	1,823
	Total Vote 2	2,122	—	1,844	1,823
Vote 3:	REVENUE COLLECTION AND REBATES				
	Revenue Administration	1,469	85	1,557	1,143
	Farm Fuel Distribution Allowance	28,000	(575)	26,725	34,830
	Estate Tax Rebates	—	—	—	8
	Remissions	1	—	—	1
	Compensation to Bulk Dealers	85	—	76	75
	Commissions to Agents	350	—	397	327
	Compensation to Agent Dealers	110	—	102	85
	Corporate Tax Administration	6,823	700	7,285	4,101
	Total Vote 3	36,848	209	36,242	39,570
Vote 4:	FINANCIAL MANAGEMENT, PLANNING AND CENTRAL SERVICES				
	Controller's Office	163	—	187	163
	Financial Control Standards	915	(100)	711	616
	Accounting	1,861	—	1,861	1,530
	Payroll and Pensions	6,806	—	6,236	4,344
	Disbursement Control	6,328	—	5,866	4,844
	Budget Bureau	961	(20)	834	768
	Budget Planning and Economics	491	—	567	360
	Tax Policy	279	1	313	276
	Corporate Management Services	183	—	158	153
	Investment Management	1,432	(40)	1,427	1,114
	Investment Systems and Settlements	1,327	(15)	1,164	987
	Project Investments	491	(175)	298	78
	Finance Planning and Analysis	430	164	650	615
	Banking and Cash Management	427	—	324	179
	Risk Management and Insurance	3,210	185	3,568	2,880
	Workers' Compensation-Government Employees	2,200	800	3,134	2,268
	Retiring Gratuity	6	—	6	6
	Long Term Disability	4,265	1,400	5,080	4,003
	Previous Years Unemployment Insurance	—	141	141	—
	Total Vote 4	36,825	2,441	33,814	24,888
Vote 5:	PUBLIC DEBT SERVICE				
	Debt Issue and Service Charges	8	—	4	8
	Debt Interest	21,499	259	21,718	21,697
	Securities Administration	177	19	179	145
	Total Vote 5	21,684	278	21,901	21,850
Vote 6:	PUBLIC SERVICE PENSION ADMINISTRATION (b)				
	Public Service Pension	—	—	—	21,000
	Local Authorities Pension	—	—	—	6,000
	Public Service Management Pension	—	—	—	1,000
	M.L.A. Pension	—	—	—	1,000
	Academic Pension Plan	—	—	—	1,000
	Special Forces Pension Plan	—	—	—	1,000
	Total Vote 6	—	—	—	31,000
	TOTAL DEPARTMENT (c)	99,876	2,909	94,718	119,113

(a) Unaudited
(b) Effective 1-Apr-81, pension payments have been charged to the Pension Fund
(c) Excludes Alberta Government Pension Boards

APPENDIX A (iii)
HOLDINGS OF INVESTMENT PORTFOLIOS MANAGED BY ALBERTA TREASURY
AT 31-MAR-82
(Preliminary — Unaudited Amortized Cost, $ Millions)

			ALBERTA HERITAGE SAVINGS TRUST FUND			
	GENERAL REVENUE FUND	PENSION FUND	CANADA INVESTMENT	ALBERTA INVESTMENT	ENERGY INVESTMENT	COMMERCIAL INVESTMENT
SHORT TERM INVESTMENTS:						
Money Market	[illegible]	[illegible]				
CCITF Participation	[illegible]	[illegible]				
BONDS & DEBENTURES:						
Alberta & Guaranteed	[illegible]			[illegible]		
Others	[illegible]	572	[illegible]	[illegible]	[illegible]	
EQUITIES:	[illegible]	[illegible]		[illegible] (c)	[illegible]	
MORTGAGES & REAL ESTATE:	[illegible]	17				
	[illegible]	1301	[illegible]	[illegible]	[illegible]	

(a) Excludes Capital Projects Division.
(b) Excludes long-term investments managed by Alberta Treasury Branches.
(c) Includes Province of Alberta participation in Syncrude project.


SECTION 10
AMFC SINKING FUND
ALBERTA TREASURY BRANCHES (b)
WORKERS' COMPNSTN BOARD
HERITAGE SCHOLARSHIP FUND
MEDICAL RESEARCH ENDOWMT FUND
OTHER PORTFOLIOS

APPENDIX B

ACTS ADMINISTERED BY ALBERTA TREASURY AS AT 31-MAR-82

Alberta Corporate Income Tax Act
Alberta Heritage Savings Trust Fund Act
Alberta Income Tax Act
Alberta Municipal Financing Corporation Act
Appropriation Act
Chartered Accountants Act
Civil Service Garnishee Act
Financial Administration Act
Fuel Oil Administration Act
Government Emergency Guarantee Act
Government Land Purchases Act
Local Authorities Pension Act
M.L.A. Pension Act
Municipal Debentures Act
Municipal Land Loans Act
Pari Mutuel Tax Act
Pension Fund Act
Public Service Administrative Transfers Act
Public Service Management Pension Act
Public Service Pension Act
Special Forces Pension Act
Statistics Bureau Act
Tobacco Tax Act
Treasury Branches Act
Universities Academic Pension Act
Utility Companies Income Tax Rebates Act

APPENDIX C

PUBLICATIONS AVAILABLE FROM ALBERTA TREASURY

Many branches and divisions of Alberta Treasury publish information about their programmes and operations. The following publications are available from:

- i the Manager, Communications at Rm. 409, Terrace Building (9515 - 107 St., Edmonton, T5K 2C3) or by calling 427-4786:

  Alberta Treasury Annual Report
  Alberta in Perspective
  Alberta Budget Documents
    Budget Address
    Programme Estimates
    Supplementary Information — Element Details
    Reconciliation of Historical Data
    Programme Structure Chart
    Budget Highlights
  Public Accounts — Volumes I, II and Supplement
  Financial Summary and Budgetary Review
  Alberta Heritage Savings Trust Fund Annual Report
  Alberta Heritage Savings Trust Fund Quarterly Reports
  Alberta Heritage Savings Trust Fund Estimates
  Alberta Municipal Financing Corporation Annual Report
  Organization of the Government of Alberta

- ii the Alberta Bureau of Statistics, Information Services at the Sir Frederick W. Haultain Building (9811 - 109 Street, Edmonton, T5K 8C8) or by calling 427-3058.

TITLE	FREQUENCY
Alberta Fact Sheet	Annual
Alberta Statistical Review	Quarterly
Alberta Statistical Review	Annual
Alberta Pay and Benefits	Annual
Place to Place Price Comparisons for Selected Alberta Communities	Annual
Alberta Retail and Service Trade Statistics	Annual
Alberta Principal Manufacturing Statistics	Annual
Population Projections, Alberta	Occasional
Evaluation Report of Population Projections, Alberta	Occasional
Alberta Quarterly Population Growth	Quarterly
Census Division Population Projections, Alberta	Occasional
Population Estimates by Census Divisions, Alberta	Annual
Personal Income by Census Divisions, Alberta	Annual
Alberta Economic Accounts	Annual

The Input-Output Structure of the Alberta Economy	Occasional
An Historical Profile of the Alberta Family	Special
"CANSIM" Summary Reference Index and Series Directory Alberta	Periodic
NEWSTATS	Periodic

- iii the Tax Information Services unit of Corporate Tax Administration at the Sir Frederick W. Haultain Building (9811 - 109 Street, Edmonton, T5K 2L5) or by calling 427-0712.

TITLE	FREQUENCY
Information Circulars	Occasional
Interpretation Bulletins	Occasional
Tax forms and guides to their completion	Occasional

- iv In addition, the Alberta Treasury Branches' Annual Review is available from the Head Office at the Ninth Street Building (9925 - 109 St., Edmonton, T5J 2N6) or by calling 427-2721.

APPENDIX D

EXECUTIVE OF THE DEPARTMENT AS AT 31-MAR-82

Provincial Treasurer	Hon. Lou Hyndman
Deputy Provincial Treasurer	A.F. Collins
Superintendent, Treasury Branches	F. Sparrow
Controller	A.D. O'Brien
Assistant Controller — Accounting	A.G. Heisler
Director, Accounting	R.A.G. Lowen
Director, Disbursement Control	T.W. Burns
Director, Financial Control Standards	M.D. Taylor
Director, Payroll and Pensions	E.J. Wilcox
Associate Deputy Provincial Treasurer — Finance	A.J. McPherson
Assistant Deputy Provincial Treasurer — Finance Programmes	J.M. Drinkwater
Director, Finance Planning and Analysis	J.A. Zatko
Director, Banking and Cash Management	D.R. Bishop
Chief Investment Officer	S.J. Susinski
Assistant Deputy Provincial Treasurer — Budget and Management	C.A. MacKenzie
Director, Budget Bureau	G.G. Trogen
Director, Bureau of Statistics	H.W. Ford
Assistant Deputy Provincial Treasurer — Fiscal Policy and Economics	G.L. Duncan
Director, Budget Planning and Economics	L.G. Morrison
Director, Tax Policy	L.H. Landry
Assistant Deputy Provincial Treasurer — Revenue and Administration	A.H. Kalke
Director, Administrative Services	M.D. Faulkner
Director, Financial Services	L.J. Hellweg
Director, Personnel Services	Vacant
Executive Director, Corporate Tax Administration	E.A. Anderson
Director, Operations	L.M.L. Rokosh
Director, Audit	C. Calarco
Director, Interpretations and Appeals	J.R. Allan
Director, Systems	J.W.K. Parton
Director, Revenue Administration	J.D. Peters
Executive Director, Corporate Management Services	H.H. Strohbach
Director, Risk Management and Insurance	D. Murray